



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

August 19, 2005

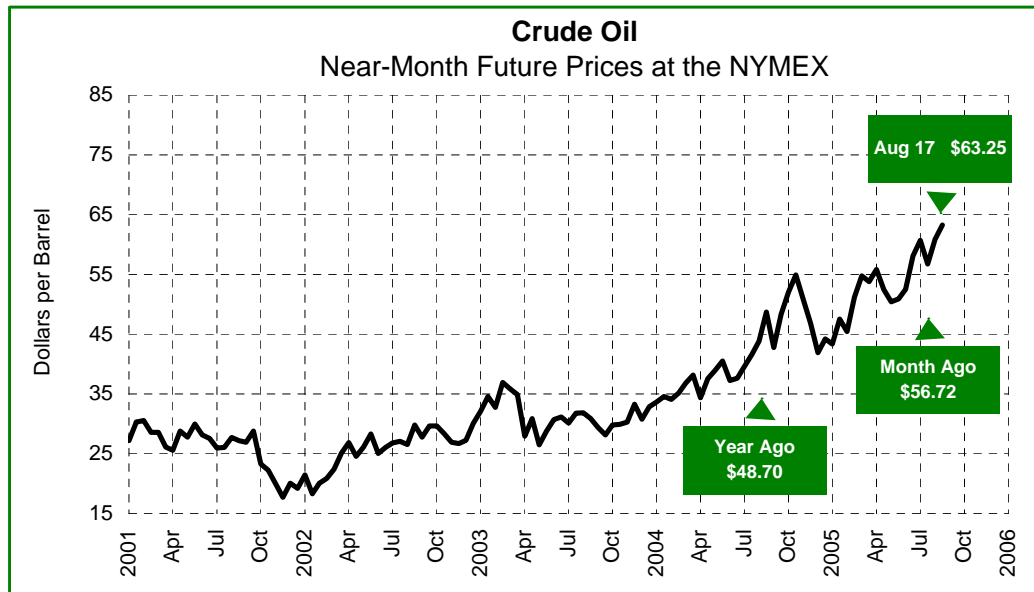
Crude Oil

On August 17, NYMEX crude oil futures settled at \$63.25, an increase of \$6.53 per barrel from the previous month and \$14.55 or 30% higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>08-17-05</u>	<u>07-20-05</u>	<u>change</u>	<u>08-19-04</u>	<u>change</u>
NYMEX	\$63.25	\$56.72	up 12%	\$48.70	up 30%

- Crude oil futures for September delivery on the NYMEX settled at \$63.25 per barrel on August 17, a loss of \$3.61 per barrel from the new record price of \$66.86 set on Friday, August 12. Crude oil prices were pressured higher last week on news of refinery problems in the U.S. prompting a new intra-day record at \$67.10 on August 12.
- Crude prices fell \$2.83 per barrel on August 17, or more than 4%, amid signs that high crude oil prices have begun to hurt the US economy and could curtail demand and on the latest government inventory report that showed an increase in crude supplies.
- Domestic crude oil stocks improved for the third straight week rising by 0.3 million barrels to 321.1 million barrels for the week ending August 12. Stocks increased due to lower refinery operations, falling 1.5 percent to 93.5 percent of capacity following refinery problems. Crude supplies are well above the 5-year average for this time of year.



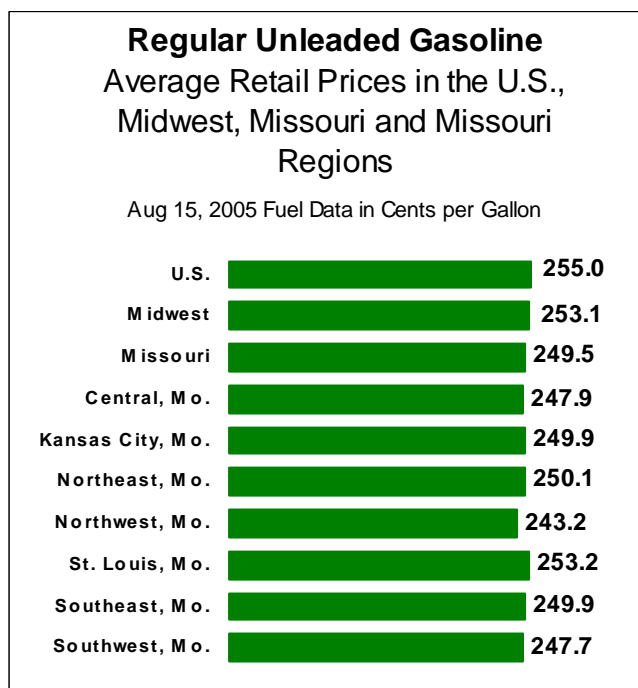
Transportation Fuels

On August 15, Missouri's average retail price for regular unleaded gasoline was \$2.49 per gallon, a 39 percent increase from last year at this time. Missouri's average diesel price also stood at \$2.49 per gallon, 40 percent higher than last year.

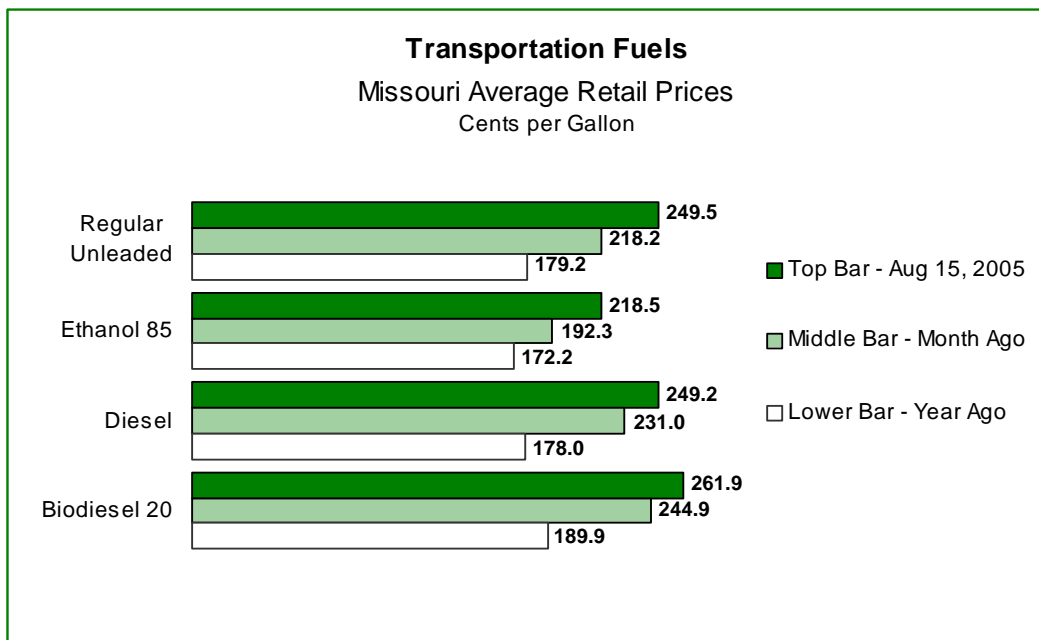
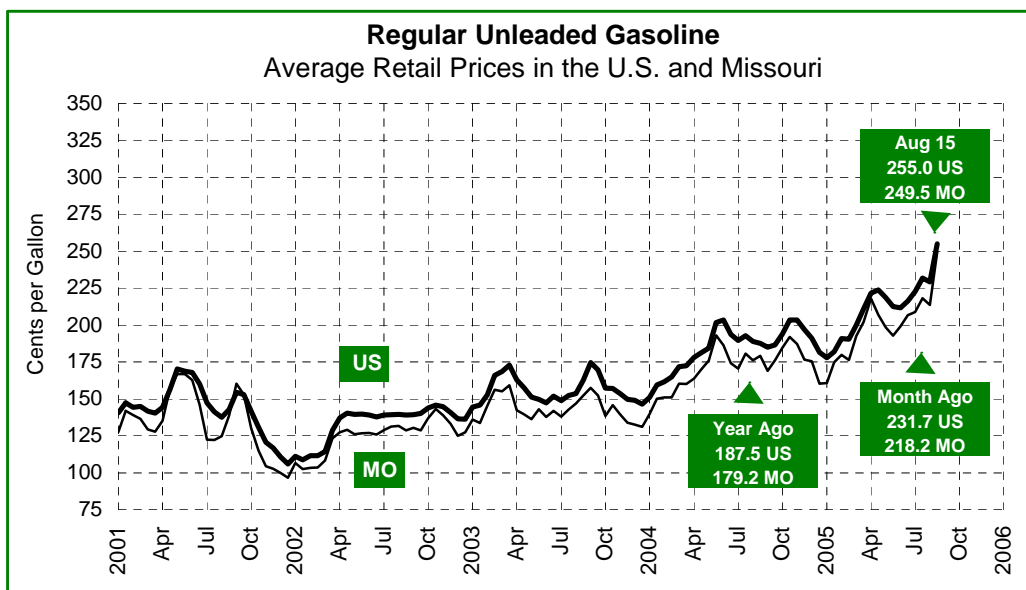
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>08-15-05</u>	<u>07-18-05</u>	<u>change</u>	<u>08-16-04</u>	<u>change</u>
US	255.0	231.7	up 10%	187.5	up 36%
Missouri	249.5	218.2	up 14%	179.2	up 39%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>08-15-05</u>	<u>07-18-05</u>	<u>change</u>	<u>08-16-04</u>	<u>change</u>
Missouri	249.2	231.0	up 8%	178.0	up 40%

- Missouri retail gasoline prices set a new record of \$2.49 per gallon on August 15. Gasoline prices continue higher following record setting crude oil prices. Missouri's statewide average retail price is now 14 percent and 39 percent higher from last month and last year, respectively. Refinery problems combined with a very strong consumer demand of 9.4 million barrels per day are supporting prices.
- Since Aug. 1, the average U.S. retail price for regular gasoline has increased 25.9 cents to \$2.55 per gallon while Midwest prices have increased by 20.2 cents to \$2.53 per gallon.



- Missouri's average retail price for diesel fuel set a new record at \$2.49 per gallon on Aug. 15. State diesel fuel prices are about 71 cents or 40 percent higher compared to last year at this time. The average U.S. retail diesel fuel price was \$2.56 per gallon, an all-time record price also set on Aug 15.



Motor Gasoline - Total Stocks (millions of barrels)					
	08-12-05	07-15-05	change	08-13-04	change
US	198.1	211.3	down 6%	205.7	down 4%

- For the week ending August 12, U.S. gasoline supplies fell for the seventh straight week, by 5 million barrels to 198.1 million barrels, as U.S. gasoline production and imports collectively fell by nearly 0.3 million barrels per day. Gas supplies are 7.6 million barrels below last year's level at this time and stand at the bottom of the 5-year average price band. Implied demand was very strong at 9.4 million barrels per day, down by nearly 0.1 million barrels since July 29.
- Distillate stocks, which include heating oil and diesel fuel, increased for the 13th straight week, and were up 1.2 million barrels to 131.1 million barrels. Production continues above 4.2 million barrels per day, while imports remained strong at 0.12 million barrels per day. Implied demand was 3.9 million barrels per day, nearly unchanged compared to this time last year.

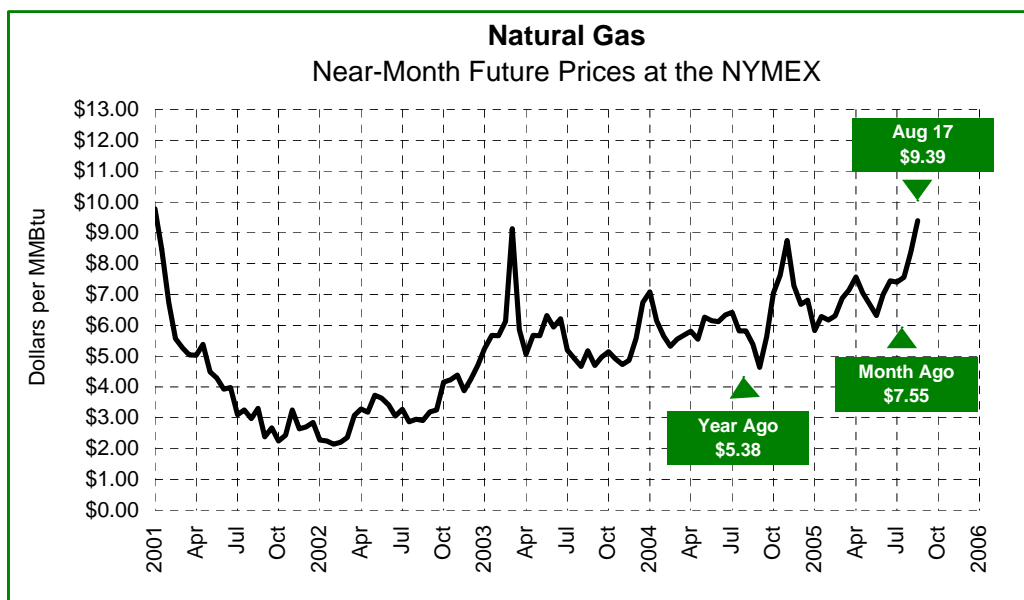
Natural Gas

Approximately 56 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On August 17, natural gas futures closed at \$9.39 per MMBtu, an increase of \$1.84 since last month and \$4.01 or 75% higher than this time last year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	08-17-05	07-20-05	change	08-16-04	change
NYMEX	\$9.39	\$7.55	up 24%	\$5.38	up 75%

- According to the EIA *Weekly Natural Gas Storage Report*, natural gas spot prices increased more than \$0.50 per MMBtu at virtually all market locations in the Lower 48 States, with increases exceeding \$1 per MMBtu in the Northeast and Gulf of México regions. Muggy weather and hot temperatures in most of the Lower 48 States likely contributed to the price increases due to increased demand for electricity, despite the recent modest declines in crude oil prices over the last few days.
- According to the EIA, U.S. working gas in underground storage was 2,515 Bcf as of Aug. 12, which is 5.9 percent above the 5-year average inventory level for the report week.



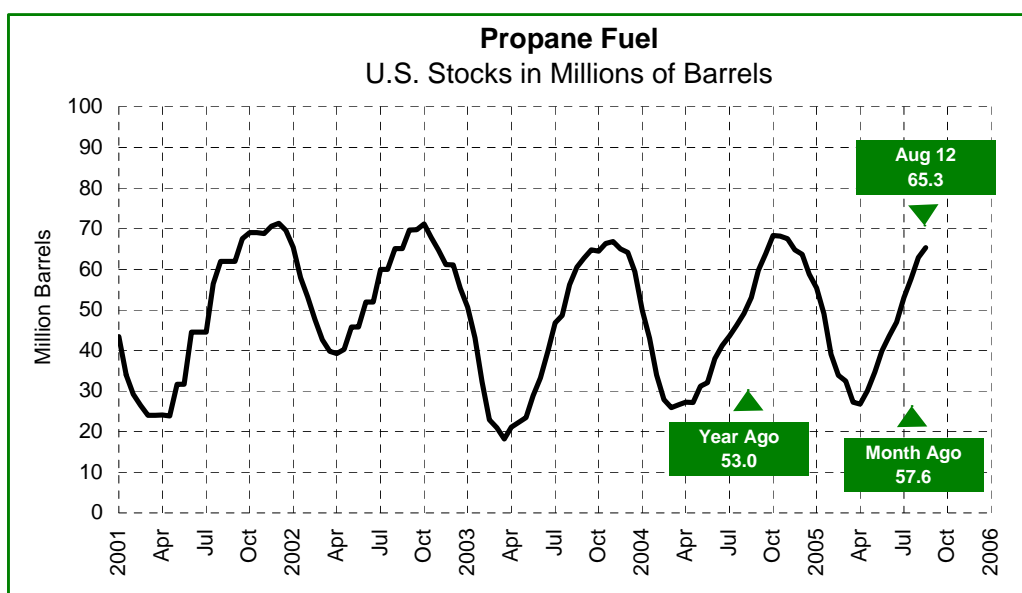
Propane

Approximately 13 percent (293,803) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Missouri's average retail propane price was \$1.40 per gallon on August 1, up 1.6 cents from a month ago, and \$0.20 or 17 percent higher than a year ago.

Propane - Residential Prices (cents per gallon)					
	08-01-05	07-04-05	change	08-02-04	change
Missouri	140.4	138.8	up 1%	120.2	up 17%

- U.S. propane supplies increased 2 million barrels to an estimated 66.3 million barrels as of Aug. 12. Last year at this time, U.S. inventories stood at 53 million barrels. Midwest supplies fell by 0.5 million barrels to 21.5 million barrels for the week ending Aug. 12 due to lower regional production and imports. Midwest supplies are nearly 0.4 million barrels higher than at this time last year. U.S. and Midwest supplies of propane are above the upper range for this time of year.



The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

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